



STANDARD INSTITUTIONAL SECTOR CLASSIFICATION OF AUSTRALIA 1987

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SISCA

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**STANDARD INSTITUTIONAL
SECTOR CLASSIFICATION
OF AUSTRALIA (SISCA)
MANUAL**

1987 EDITION

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PREFACE

This 1987 edition of the Standard Institutional Sector Classification of Australia (SISCA) has been prepared by the Australian Bureau of Statistics (ABS) for use in the collection, compilation and publication of its statistics. It is also intended to serve as a reference tool for users of the classification and the statistics produced in accordance with it.

SISCA is the result of a review of the institutional sector classification, used in the Australian National Accounts (ANA), and the ABS public/private sector classification. SISCA incorporates both these classifications and is more detailed than its predecessors. As a result of the review the sectors and subsectors in the SISCA align more closely with international statistical standards and the needs of statistical users.

It is intended that the SISCA be maintained as an up-to-date classification with revised editions being published on an 'as needed' basis. Comments and suggestions for its improvement are always welcome.

Ian Castles
AUSTRALIAN STATISTICIAN

OCTOBER 1987

INTRODUCTION

PART 1 : NATURE, USES AND PRINCIPLES OF THE CLASSIFICATION

Nature of the Classification

The Standard Institutional Sector Classification of Australia (SISCA) is a system for classifying institutional units, ie enterprises and households, by broad economic sectors in national accounts and related statistics.

2 The sectors and subsectors of the classification are:

1 CORPORATE TRADING ENTERPRISES

1.1 Private Corporate Trading Enterprises

1.2 Public Trading Enterprises

1.2.1 Commodity Marketing Authorities

1.2.2 Other Public Trading Enterprises

2 FINANCIAL ENTERPRISES

2.1 Private Financial Enterprises

2.2 Public Financial Enterprises

2.2.1 Reserve Bank

2.2.2 Other Public Financial Enterprises

3 GENERAL GOVERNMENT ENTERPRISES

4 HOUSEHOLDS AND OTHER PRIVATE ENTERPRISES

4.1 Households

4.2 Private Unincorporated Trading Enterprises

4.3 Private Non-profit Institutions Serving Households

5 NON-RESIDENT ENTERPRISES IN AUSTRALIA

3 Enterprises and households are economic or transactor type units which, for statistical purposes, are broadly defined as follows:

. **ENTERPRISE** : A unit comprising all the operations in Australia of a single operating legal entity. Typical examples include companies, partnerships, trusts, individuals (as sole traders), government departments and statutory authorities. (A more detailed description of the enterprise definition is provided in Part 2 of the Introduction.)

. **HOUSEHOLD** : In the context of national accounts a household is essentially an entity (other than a non-profit organisation) which, as a unit, receives income and uses all of it for private final consumption expenditure and saving (ie after payment of taxes and other transfers).

Use of the Classification in National Accounts

4 An institutional sector classification is primarily a key component of the general national accounting framework. This framework is constructed essentially from classifications of :

. **TRANSACTIONS** into the domestic production, national income and outlay, national capital, and overseas transactions accounts which provide the macro economic measures, such as gross domestic product and gross fixed capital expenditure, which are needed by governments for economic management; and

. **TRANSACTORS** into industries (according to the nature of their productive activity), broad economic sectors (according to their behaviour in making financial decisions relating to the spending of income or the provision or use of capital funds) and a variety of other categories.

5 The institutional sector classification is in the latter group of classifications and is used to classify transactors of the national income and outlay and the national capital accounts into broad economic sectors according to their financial role and behaviour. This makes it possible to construct income and outlay and capital accounts for these sectors and to provide and analyse statistics for them. These relate, in the main, to sources and uses of disposable incomes and capital funds.

6 Because of the nature of the transactions relevant to the income and outlay and capital accounts the appropriate transactor units for these accounts are units which "independently receive and disburse incomes, and own and manage all forms of property".⁽¹⁾ Such units in the ABS statistical system are enterprises and households. (While enterprises are sometimes also used as transactors of the domestic production account which could be compiled for the broad economic sectors of the institutional sector classification, it is more usual and useful to use establishments, ie component producing units of enterprises such as individual factories, as transactors of the production account and to classify them by industry.)

7 National accounts statistics are confined to those of resident institutional units (including their transactions with non-resident units). For this reason the institutional sector "non-resident enterprises in Australia" is not relevant to Australian national accounts statistics. It has been included in the classification for use in those statistical applications (if any) that are not confined to resident units only.

Other Uses of the Classification

8 In addition to its use in national accounts statistics, the classification is also used in related statistical series for such purposes as:

- . classifying enterprises to the public and private sectors of the economy, eg in employment statistics;
- . determining the scope of Australian Public Authority Finance (PAF) statistics;
- . classifying public sector enterprises in PAF statistics to relevant sectors and subsectors; and
- . determining the sector boundaries of the capital expenditure collections.

9 Further, the classification also helps in the formulation of statistical unit definitions and data items, particularly where these vary between sectors.

10 With regard to the above uses it is worth observing that, while the classification does not provide explicit categories for the private and public sectors of the economy, these are, nevertheless, readily derivable as follows:

. The PUBLIC SECTOR consists of enterprises in the following sectors/subsectors:

- 1.2 Public Trading Enterprises;
- 2.2 Public Financial Enterprises; and
- 3 General Government Enterprises

. The PRIVATE SECTOR consists of enterprises classified to the remaining resident sectors/subsectors of the classification.

Principles of the Classification

11 The principles or other fundamental considerations according to which the classification has been constructed need to derive from and reflect the main purpose which the classification is intended to serve. This, in the case of the SISCA, is to classify transactors of the national income and outlay and the national capital accounts into sectors according to differences in their financial role and behaviour such as facilitate the provision and analysis of sectoral statistics on the sources and uses of disposable incomes and capital funds.

12 Sectors of this type have been devised for the institutional sector classification of the SNA ⁽²⁾ and have been adopted, with some modifications, as the sectors of the institutional sector classification used in the Australian National Accounts (ANA) since the early 1970's. Appendix A presents a broad comparison of the institutional sector classifications of the SNA and ANA.

13 SISCA is the outcome of a review of the ANA institutional sector classification and the, hitherto, separate ABS public/private sector classification. Appendix B presents a broad comparison between the SISCA and the institutional sector classifications of the SNA and the ANA.

14 Although the review has resulted in a SISCA which differs from its predecessors, is the SNA based ANA institutional sector classification and the SNA based ABS public/private sector classification, the differences relate, in the main, to differences in the level of sector detail and in the specification of operational classification rules rather than to fundamental differences of principle. Accordingly, the SISCA, as its predecessors, continues to be based on the institutional sector classification of the SNA and continues to employ the same sectoring philosophy and principles as does the SNA.

15 Within this context the main SNA based principles which determine the sectors of the SISCA are the following:

1 SEPARATION OF RESIDENT INSTITUTIONAL UNITS INTO ENTERPRISES AND HOUSEHOLDS. Although households do engage in production their principal role is as consumers of final goods and services. In that role their financial behaviour differs fundamentally from that of enterprises which are primarily producers of goods and services, even though the outlays on goods and services by some categories of enterprises (eg private non-profit institutions serving households) are accounted for as final consumption expenditure.

ii SEPARATION OF ENTERPRISES INTO PUBLIC AND PRIVATE ENTERPRISES. The financial role and behaviour of public enterprises, ie government owned and/or controlled enterprises, can be, and in a large proportion of cases is, governed by considerations or policies that differ fundamentally from those applicable to private enterprises, ie privately owned and controlled enterprises.

iii SEPARATION OF PRIVATE ENTERPRISES INTO PRIVATE BUSINESS (IE TRADING AND FINANCIAL) ENTERPRISES AND PRIVATE NON-PROFIT INSTITUTIONS. This distinction between private enterprises in the SISCA is based on differences in their motives for producing goods and services. In the case of business enterprises (ie trading and financial enterprises) the primary motive is the maximisation of financial returns to their owners. In the case of non-profit institutions the motives are diverse and can cover any objective other than the provision of a financial return (or cost advantage) to their owners or members. This difference in motivation can cause marked differences in the financial behaviour of enterprises and is the main reason for classifying them to different sectors.

iv SEPARATION OF PUBLIC ENTERPRISES INTO PUBLIC BUSINESS (IE TRADING AND FINANCIAL) ENTERPRISES AND GENERAL GOVERNMENT ENTERPRISES. General government enterprises could, from some points of view, be regarded as the public sector equivalents of private non-profit institutions and, indeed, include those privately owned non-profit institutions which are mainly financed by and serve public enterprises or are mainly financed and controlled by government or integrated with equivalent government services. Accordingly, the separation of public enterprises into business and general government enterprises mirrors that for private enterprises in iii above and is made essentially for the same reason, even though the profit motive of some types of public business enterprises is limited or modified to some extent by government policies as in the case of subsidised public transport enterprises.

v SEPARATION OF PRIVATE BUSINESS ENTERPRISES INTO THOSE THAT ARE LEGALLY (OR CLEARLY ACT AS) ENTITIES INDEPENDENT OF THEIR OWNERS AND THOSE THAT ARE (DO) NOT. The business enterprises in the first category independently control and manage the business incomes and outlays and all the tangible and financial assets and liabilities connected with the business and generally maintain separate and complete accounting records in respect of all those items. (In the SISCA all financial and public business enterprises, whether incorporated or unincorporated, are of this type.) The non-financial private business enterprises in this (first) category include all those that are corporations as well as those unincorporated business enterprises which meet these requirements. The unincorporated business enterprises in this category are referred to as quasi-corporate and consist, for all practical purposes, of unincorporated enterprises which are assessable for income tax as companies, as well as all unincorporated partnerships of companies.

The business enterprises in the second category are confined to those unincorporated private business enterprises (other than financial enterprises) which, though separately distinguishable from their owners in some respects, tend to behave as composite, 'business and owning (or household)' units with regard to their financial decisions and transactions.

The financial transactions of the business enterprises in the second category can therefore include components of private consumption expenditure and indicate a financial behaviour that differs from that of equivalent enterprises in the first category. For this reason there is interest in separate data for the two categories of enterprises and, hence, their separate classification in the SISCA as corporate trading enterprises or financial enterprises, on the one hand, and as private unincorporated trading enterprises in the 'households and other private enterprises' sector, on the other hand.

vi SEPARATION OF BUSINESS, PUBLIC AND PRIVATE ENTERPRISES INTO TRADING ENTERPRISES AND FINANCIAL ENTERPRISES. Financial enterprises are those business enterprises which are mainly engaged in financial market transactions which involve both the incurring of liabilities and the acquisition of financial assets. They provide the financial mechanism for the functioning of the economy and therefore perform a fundamentally different financial role compared to that of other business enterprises.

vii SEPARATION OF PRIVATE NON-PROFIT INSTITUTIONS INTO CATEGORIES ACCORDING TO PRINCIPAL SECTOR SERVED. According to this principle private non-profit institutions are categorised into those that -

- a are mainly financed by and serve trading enterprises;
- b are mainly financed by and serve financial enterprises;
- c are mainly financed by and serve households.

In the SNA institutional sector classification non-profit institutions in categories a and b are classified to the same sectors as the enterprises served by them, while non-profit institutions in category c are treated as a separate sector. The ANA institutional sector classification follows the same treatment except for category c non-profit institutions which are included in the ANA 'households' sector. In the SISCA the SNA treatment is followed, although private non-profit institutions serving households are treated as a subsector of the 'household and other private enterprises' sector and not as a principal sector as in the SNA. (The above categorisation omits mention of largely self financing private non-profit institutions. Their classification follows that above with the exception of those that are financial institutions - these are included in the financial institutions sector.)

16 Application of the above SNA based principles produces categories of institutional units with distinctly different financial roles and/or behaviour patterns. These constitute most of the potential sectors of the classification. Their derivation and linkage to SISCA is shown on the diagram on page 8.

17 The derivation of the SISCA subsectors for 'commodity marketing authorities' (1.2.1), 'other public trading enterprises' (1.2.2), 'Reserve Bank' (2.2.1) and 'other public financial enterprises' (2.2.2) are not based on SNA criteria. They have been included in the SISCA in response to considerations arising from user needs for additional sectors. Their separate categorisation will facilitate the analysis of statistics of stock fluctuations, the funding of public bodies and Reserve Bank capital transactions.

18 While the principles and considerations listed and described above are necessary for the derivation of SISCA sectors and subsectors they are not sufficient for their full conceptual and operational definition. For that purpose they need to be augmented by the use of additional concepts, criteria and conventions. These are set forth in other relevant parts of this manual.

Relationships with Other Classifications

19 The SISCA can be used in association with other classifications (or parts of other classifications) for the purpose of obtaining more detailed cells of the economy for which statistics are needed. Classifications suitable for this purpose include the following:

- . the Australian Standard Industrial Classification (ASIC);
- . the classification of financial institutions set forth in the Financial Corporations Act (FCA);
- . the Type of Legal Organisation Classification (TOLO); and
- . classifications of public sector enterprises by level of government and the budget/non-budget dichotomy.

DERIVATION OF INSTITUTIONAL SECTORS FOR THE SISCA

Derivation of potential sectors by application of 'Paragraph 15' principles

	Households	Households	Households	Households	Households	Households	SISCA	CODES
Resident Institutional Units	Enterprises	Private Enterprises	Private Non-profit Institutions	Private Non-profit Institutions	Private Non-profit Institutions	— serving Households	CORP. TRADING ENTERPRISES	100
			Private Business Enterprises	Private Unincorp. Trading Enterprises	Private Unincorp. Trading Enterprises	— serving Trading Enterprises	Private Corp. Trading Enterprises	110
						— serving Financial Enterprises	Publ. Trading Enterprises	120
			Private Corp. and Quasi-corp. Business Enterprises	Private Corp. and Quasi-corp. Trading Enterprises	Private Corp. and Quasi-corp. Trading Enterprises	Private Fin. Enterprises	— Commodity Marketing Authorities	121
							— Other	122
							FINANCIAL ENTERPRISES	200
							Private Fin.	210
							Public Fin.	220
							— Reserve Bank	221
							— Other	222
Non-resident Enterprises in Aust.	Non-resident Enterprises in Aust.	Non-resident Enterprises in Aust.	Public Business Enterprises	Public Business Enterprises	Public Fin. Enterprises	Public Fin. Enterprises	GEN. GOVT. ENTERPRISES	300
			Gen. Govt. Enterprises	Gen. Govt. Enterprises	Gen. Govt. Enterprises	Public Trading Enterprises	HOUSEHOLDS AND OTHER PRIVATE ENTERPRISES	400
							Households	410
			Non-resident Enterprises in Aust.	Non-resident Enterprises in Aust.	Non-resident Enterprises in Aust.	Non-resident Enterprises in Aust.	Private Unincorp. Trading Enterprises	420
							Private NPIs serving Households	430
							NON-RESIDENT ENTERPRISES IN AUST.	500

PART 2 : THE STATISTICAL UNITS BEING CLASSIFIED

20 The appropriate statistical units for classification according to the SISCAs are institutional units, ie enterprises and households. This choice of units derives from the use of the SISCAs in classifying resident transactor units of the national income and outlay and the national capital accounts as explained in paragraph 6 of Part 1.

Short Definition of the Enterprise

21 In general, an enterprise is defined as a unit covering all the operations in Australia of a single operating legal entity. This definition applies to both the private and public sectors.

The Meaning of 'Legal Entity'

22 For statistical purposes a legal entity is defined as a unit covering all the operations in Australia of an entity possessing some or all of the rights and obligations of individual persons or corporations or one which behaves as such, at least in respect of those matters of concern for economic statistics (ie an entity which covers all production and/or capital accumulation undertaken or owned in common or jointly).

23 Legal entities are the fundamental units of which enterprises are composed. The concept of the legal entity is derived from the common law under which persons possess certain rights, including the rights of ownership to property, the right to enter into contracts and the right to sue. Appropriate obligations also apply. Persons who have these rights and obligations include both natural persons and artificial persons, ie corporations.

24 Other entities operating in the economy assume the rights and obligations of a strict legal entity to varying degrees. In order to recognise as owning and financing units most of the types of entities recommended in the SNA it is necessary to cover in the concept the range of entities from strict legal entities to those which behave as if they are legal entities, at least with respect to those matters which are of statistical relevance. A legal entity, so defined, is used as the basis for defining statistical units of the owning and financing unit type in the Australian system.

25 IN THE PRIVATE SECTOR the following are treated as legal entities in the Australian system:

- a Incorporated entities, ie entities incorporated under:
 - . the uniform Companies Acts;
 - . other 'generalised' Parliamentary Acts (eg the Associations Incorporation Acts, the Cooperative Societies Acts and the Mining Companies Acts);
 - . a special Act of Parliament (eg Acts relating to Royal Agricultural Societies and racing clubs); and
 - . Royal Charter.
- b Unincorporated entities, ie:
 - . sole proprietorships;
 - . partnerships;
 - . joint ventures (except mineral exploration joint ventures);
 - . trusts (set up by a trust deed); and
 - . other unincorporated entities.

26 IN THE PUBLIC SECTOR the concept of the legal entity requires further elaboration. In addition to the registered companies owned and/or controlled by governments, which have a direct parallel in the private sector, the following other entities are recognised as legal entities:

- a Statutory entities, eg the Governor-General and the Governor of each State, each House of the Parliaments of the Commonwealth and each State, each court of law, each marketing authority and each local government council; and
- b Departmental entities, ie departments of State, including sub-departments in Western Australia and Queensland, administrative offices in New South Wales and the so-called parliamentary departments in the Commonwealth and those States where they occur.

Application of the Enterprise Definition

27 In applying the definition for the purpose of delimiting enterprises circumstances arise in which legal entities are merged or split in the process. These circumstances are described below.

Merging of Legal Entities to Form Enterprises

28 The word 'operating' is specified in the enterprise definition so that legal entities which have no employees and conduct no business (ie 'non-operating' legal entities) are not, subject to the exceptions in paragraph 30 below, treated as separate enterprises. Companies that are non-operating, except those specified in paragraph 30 below, are merged with an individual related operating company to form an enterprise. ('Related' here means part of the same enterprise group.) Other non-operating legal entities which are not covered by paragraphs 30 and 31 below are not recognised in the system.

29 The merging of legal entities to form enterprises is also permitted in other cases. For example, companies for which no separate records or accounts are maintained (ie no separate accounts for management purposes - disregarding minimum accounts for taxation or company registration purposes) are generally merged with a related operating company in the group to form one statistical enterprise.

30 However, the following types of companies cannot be merged with another to form an enterprise:

a Companies which could be regarded as non-operating because they have no employees of their own but which belong in the category 'financial enterprises' in the Australian National Accounts (eg hire purchase or other instalment credit companies, companies formed to operate superannuation schemes and investment companies holding shares in companies outside the enterprise group) are treated as separate enterprises.

b Holding or property-owning companies which may or may not have employees are always treated as separate enterprises.

31 Similar merging concepts as those outlined above apply also to types of enterprises which are specific to the public sector. Statutory entities must be shown to 'operate as a separate unit' from any department with which they are associated in order to be treated as a separate enterprise. The definition of what constitutes 'operating as a separate unit' is not specified, but at least two criteria have to be satisfied: separate accounts must be available for the unit and staff must mainly be engaged on the functions of the unit. If these criteria are not satisfied the statutory entity is merged with the department to which it 'belongs', to form an enterprise. Most courts of law are treated this way since, in general, they do not have full, separate accounts available for the court as such. Thus, in general, courts of law are merged with the department by which they are administered.

Splitting of Legal Entities in Forming Enterprises

32 The general objectives for defining enterprises require that they be units which are reasonably homogeneous in terms of institutional sectors in the SISCAL. It has therefore been found necessary to apply rules to permit the splitting of legal entities to meet this requirement. The relevant splitting rules are described below.

33 In the public sector, in a number of significant cases, the general enterprise definition gives units which cut across the boundary between the institutional sectors 'Corporate Trading Enterprises' and 'General Government Enterprises'. Two types of cases occur:

a Cases which are significant numerically and in aggregate but not always individually; these relate mainly to local government authorities.

b Cases which are few in number but individually of statistical significance.

34 'Statistical significance' in this context refers to the difference in effect on statistics classified by institutional sector if the existing enterprise definition was retained compared to varying it in some way to 'split out' the cases referred to above.

35 As a result, legal entities which engage in activities classifiable to the 'Public Trading Enterprises' or 'Public Financial Enterprises' institutional sub-sectors and also in activities classifiable to the 'General Government Enterprises' institutional sector are split into separate enterprises if the following circumstances apply:

a The legal entity is a local government authority with any of the following types of trading undertaking classifiable to the 'Public Trading Enterprises' sub-sector:

i electricity undertakings;

ii gas undertakings;

iii abattoir undertakings;

iv bus transport undertakings;

v water supply undertakings with a total annual current expenditure for all such undertakings greater than \$50,000 measured in 1977-78 prices;

vi sewerage undertakings with a total annual current expenditure for all such undertakings greater than \$50,000 measured in 1977-78 prices; or

vii any other trading undertaking with annual revenue greater than \$500,000 measured in 1977-78 prices.

Where the above circumstances apply, the legal entity is split into separate enterprises, one for each of the types of undertaking listed above which exist, ie one enterprise for all electricity undertakings, one enterprise for all gas undertakings and so on, and one for the balance of the entity.

b The scale of operations of the institutional sector/sub-sector which is of secondary importance to the legal entity is as follows:

i annual revenue classifiable to the 'Public Trading Enterprises' or the 'Public Financial Enterprises' sub-sectors is in excess of \$2,000,000 measured in 1977-78 prices; or

ii annual purchases of goods and services classifiable to the 'General Government Enterprises' sector is in excess of \$2,000,000 measured in 1977-78 prices.

Where the above circumstances apply, the legal entity is split into two separate enterprises, one incorporating the secondary activities and the other being the balance of the legal entity. However, in some circumstances the legal entity may be split into more than two enterprises where this accords better with the organisational or accounting structure of the entity. The splitting value limits specified in terms of 1977-78 values above are periodically updated to more current values.

36 In addition, legal entities which are self-financing non-profit institutions and which are engaged in both trading and non-profit activities, are split into a trading enterprise and a non-profit institution if the smaller of the following:

. annual gross profit or operating surplus (ie sales and other trading income less purchases of trading stock); or

. annual gross non-trading receipts (ie membership fees, donations and grants)

exceeds a significant amount.

Households

37 Even though households can and do engage in production their principal role is as consumers of final goods and services. Accordingly, households are defined here as pure consuming units

and any unincorporated business enterprises owned and operated by them are treated as separate units and classified to the appropriate sector or subsector of the SISCO, usually 4.2 'private unincorporated trading enterprises'.

38 In view of the foregoing, the household, as already described in paragraph 3, is essentially an entity (other than a non-profit institution) which as a unit receives income and uses all of it for private final consumption expenditure and saving (ie after payment of taxes and other transfers).

PART 3 : CLASSIFICATION CONCEPTS, CONVENTIONS AND RULES

39 A number of concepts are used in defining the sectors and subsectors of the SISCA. Most of these are introduced in Part 1 of the Introduction and are further elaborated in the sector and subsector definitions of the Classification. However, some of these concepts are relevant to a number of sectors and subsectors and require lengthy definitions. Rather than overburden the sector and subsector definitions in the Classification with them they are presented separately below with the exception of the 'enterprise' and 'household' concepts which are dealt with in Part 2 of the Introduction.

40 The concepts defined below cover those of the public and private sectors of the economy, of non-profit institutions and of residency.

The Concept of the Public Sector

41 Conceptually the public sector in Australia is that part of the economy which consists of all resident enterprises through which the Commonwealth, State and local governments, separately or jointly, implement their economic, social and other policies by their ability to control what activities the enterprises undertake and/or how they are undertaken.

42 The key definitional elements of this concept should be interpreted as follows:

a GOVERNMENT CONTROL. This refers to government powers to determine what activities particular enterprises undertake and/or how these are undertaken and which go beyond those normally exercised by governments by the use of their regulatory powers of a general kind. Examples of the latter include the powers of the central bank to regulate lending by other financial institutions, or legislative requirements under the Companies Acts which prescribe, among other things, how companies can raise capital or what should be included in their financial reports.

The means whereby governments are able to 'control' the activities of individual enterprises consist of one or more of the following:

i Complete or majority OWNERSHIP of voting shares or other forms of 'voting' capital in individual enterprises which entitles them to control all aspects of their management;

ii LEGISLATIVE POWERS to establish enterprises with prescribed activities, powers and obligations to implement and administer their policies; and

iii CONTRACTUAL OR OTHER AGREEMENTS entered into with particular enterprises under which the enterprises agree to surrender some measure or aspect of control over their activities to governments in return for government financial support or some other type of consideration.

b GOVERNMENT POLICIES. These can cover any aims or courses of action governments and their administrative or other agencies decide to pursue or embark upon and defy comprehensive and detailed specification. They can range from broad issues of economic management (eg application of monetary measures to control the general level of prices) to matters of industry protection (eg by imposition of tariffs or regulation of markets) or administrative detail (such as the regulation of shopping hours or smoking in lifts).

Public Sector Classification Conventions and Rules

43 Because the concept of the public sector is not amenable to precise definition the classification of enterprises to the public sector must rely in many cases on the informed judgement of the classifiers. To aid them in this process a set of classification conventions and rules, consistent with the above definition, is provided below.

44 These conventions and rules are not necessarily mutually exclusive and a particular enterprise may be classifiable to the public sector under more than one of them.

45 Any enterprise not classifiable to the public sector under any of them should be classified to the private sector.

46 Any enterprise that cannot be unambiguously classified to either the public or the private sector under these conventions and rules or whose classification according to them appears anomalous should be classified in accordance with the special procedures outlined in Part 4 of the Introduction.

47 The classification convention and rules which follow are specified in the form of particular requirements. Enterprises which unambiguously meet one or more of these requirements should be classified to the public sector:

a THE ENTERPRISE IS COMPLETELY OR MAJORITY GOVERNMENT OWNED, ie one or more Australian governments jointly own all or a majority of the voting shares or other forms of 'voting' capital of the enterprise which entitles them to nominate and choose the governing board (or equivalent body) of the enterprise and through it control everything the enterprise does. (Enterprises that do not have voting capital of this type need to be classified on the basis of the other conventions/rules below.)

b THE ENTERPRISE IS A DEPARTMENT OF STATE (OR ANY SUBDIVISION THEREOF) OR A JUDICIAL AUTHORITY established by or under the following legislation:

- . the Commonwealth of Australia Constitution Act or equivalent State or Territory legislation; or
- . the Public Service Acts of the Commonwealth or States or equivalent Territory legislation.

c THE ENTERPRISE IS AN INCORPORATED LOCAL GOVERNMENT COUNCIL.

d THE ENTERPRISE IS A STATUTORY AUTHORITY, ie an enterprise established by or under an Act of Parliament or ordinance, including any legislative instrument under it or in relation to it (such as a regulation by a Minister of the Crown, or an order or proclamation by a Governor in Council) which has been enacted by a government for the purpose of creating one or more particular enterprises, named in the legislation, or a class of enterprises (with a generic name), to implement and administer government policies, and which specifies the external activities, powers and obligations of each such enterprise.

Although departments of State and judicial authorities of the type specified in b and local government councils specified in c, above could also be covered by this definition, they are not normally regarded as statutory authorities.

All commodity marketing boards or authorities are included because they implement government policy with regard to the marketing of declared commodities (as specified in legislation) for the benefit of the producers of the commodities and other implied or specified purposes, such as ensuring adequate supplies of the commodities to consumers, especially in areas or periods of shortage. To ensure that the boards and authorities implement government policy as intended, governments have specified the activities they are to undertake in the statutory instruments by which they have been established. In addition, governments require the boards and authorities to have their accounts audited by the respective Auditors General and have one or more government representatives on these boards to ensure that the activities are carried out in a proper manner. Finally, to ensure that these boards and authorities can implement government policy effectively they are provided, by the statutory

instruments by which they have been established, with actual or potential powers of compulsory acquisition and other regulatory powers well beyond those available to any private enterprise.

Enterprises which are wholly or majority owned by statutory authorities are included in the public sector.

EXCLUSIONS: Enterprises established under or by the undermentioned legislation are not statutory authorities and their classification to the public or private sector will have to be considered under the other conventions and rules in this paragraph:

- Acts of Parliament and ordinances for the establishment (by registration) of particular classes of enterprises which do not specify the activities of individual enterprises but leave this matter to be determined by their owners or members - typical examples are the Companies Acts, the Associations Incorporation Acts and the Cooperative Societies Acts; and

- Acts of Parliament and ordinances each of which establishes a particular enterprise, named in the legislation, and may specify its activities but whose creation is not for the purpose of implementing and administering government policies - typical examples are Acts of Parliament which set up church bodies and private schools.

e THE ENTERPRISE IS A NON-PROFIT INSTITUTION COMPOSED MOSTLY OF PRIVATE SECTOR MEMBERS OR OWNERS BUT IS MAINLY FINANCED BY AND ENGAGED IN PROVIDING GOODS AND SERVICES TO PUBLIC SECTOR ENTERPRISES, ON A NON-PROFIT BASIS. Classification of such enterprises to the public sector is consistent with their classification to the 'general government enterprises' institutional sector along SNA ⁽²⁾ lines, and is based on formal or assumed or implied agreements between the government and the particular non-profit institutions whereby the latter surrender control over their activities to government in return for government finance to meet their costs of operation.

f THE ENTERPRISE IS A NON-PROFIT INSTITUTION COMPOSED MOSTLY OF PRIVATE SECTOR MEMBERS OR OWNERS, IS MAINLY ENGAGED IN PROVIDING GOODS AND SERVICES TO HOUSEHOLDS ON A NON-PROFIT BASIS AND IS, TO A SIGNIFICANT EXTENT, FINANCED AND CONTROLLED BY GOVERNMENT OR INTEGRATED WITH EQUIVALENT GOVERNMENT SERVICES. Classification of such enterprises to the public sector is based on formal or implied agreements between individual non-profit institutions and governments whereby in return for significant government financial assistance (usually in the form of non-repayable recurring grants to meet costs of current operations) non-profit institutions agree to undertake particular 'public purpose' activities or undertake them in such a manner as to enable them to be integrated with equivalent activities of governments and surrender to governments some degree of control over them.

Within the public sector all such institutions are classified to the 'general government enterprises' institutional sector. In the definition of that sector further guidelines are provided for the classification of such enterprises.

The Private Sector

48 This sector consists of all those resident enterprises which have not been classified to the public sector.

Non-profit Institutions

49 A non-profit institution is an enterprise in which persons in their private capacity and/or private and/or public enterprises combine as members and owners of the enterprise to produce goods and services, though mainly services, for purposes other than to provide a financial return for themselves as owners of the institution.

50 The purposes for which such institutions exist can cover virtually anything (such as the provision of charitable, philanthropic and welfare services for needy members of the general public, the promotion of common interests in politics, public administration, business, research or religion, or the pursuit of social or recreational activities) as long as there is no intention by their members and owners to distribute any operating surpluses amongst themselves by way of dividends or equivalent financial payments. This intention is the key feature that distinguishes non-profit institutions from trading enterprises.

51 The operating costs of such institutions can be met by one or more of the following: membership fees, donations, private or government grants and/or net operating surpluses from any trading activities undertaken by them, or any subsidiary enterprises that they own.

52 In cases where enterprises which do not distribute their operating surpluses amongst their members/owners by way of dividends or equivalent financial payments engage in significant trading activities, eg in the case of licensed clubs, the question of their classification as a non-profit institution can arise. In such instances the enterprise should be classified as a trading enterprise if its annual gross trading receipts exceed its annual gross non-trading receipts from membership fees, subscriptions, donations and grants, and as a non-profit institution if the latter exceed the former. (In cases where the smaller source of funds, ie trading receipts or non-trading receipts, of such an enterprise equals or exceeds a significant

amount the enterprise may be split into a trading enterprise and a non-profit institution as provided for in Part 2 of the Introduction.)

53 The classification of non-profit institutions to the various sectors or subsectors of the SISCA is specified in the sector and subsector definitions in the Classification part of this manual.

54 Excluded from the concept of non-profit institutions are cooperative societies which process or trade goods for the benefit of their members.

Residency

55 In principle, the residents of Australia consist of those economic entities which have a closer association with the "territory" of Australia than with any other territory. The territory of Australia is defined to consist of all land lying within its political frontiers (including its territorial seas) and any international waters over which it has exclusive jurisdiction. It does not include Australia's external territories (eg Norfolk Island, Christmas Island).

56 Residents of Australia consist of the following:

a General government institutions, eg all instrumentalities of the Commonwealth government, State and local governments and statutory bodies, other than those institutions classified as financial and trading enterprises. Embassies, consulates, military establishments and other entities of general government located abroad are treated as residents; similar establishments of other countries located within Australia are treated as non-residents.

b Private non-profit bodies serving households which are located or operate, in the domestic territory of Australia.

c Individuals and households, ie all individuals who may be expected to consume goods and services or participate in production in the domestic territory of Australia on a permanent basis. Visitors on recreation or business remaining in Australia for less than one year, foreign students studying in Australia under government aid programs, and foreign diplomatic and military personnel (and their dependants) stationed in Australia are viewed as residents of the country in which they normally live (ie have their general centre of interest). Employees (other than those with diplomatic status) of international bodies of which the members are governments (eg the UN) who are stationed within Australia for one year or more are treated as residents of Australia.

d Financial and trading enterprises, ie business units engaged in the production of goods and services, on a commercial or equivalent basis, within the domestic territory of Australia. These enterprises may be: incorporated or unincorporated; privately or publicly owned; and locally or foreign owned or controlled. A single legal entity with operations in more than one country is considered to have separate enterprises in each of the economies in which it operates. Thus a foreign company with operations in Australia is considered to have an Australian branch (unless it incorporates a separate company within Australia). Similarly the operation of an Australian company in another country is regarded as a branch enterprise in that country.

57 Land in Australia is treated as always owned by a resident. In cases where land is, in fact, directly owned by a foreigner, it is necessary to impute a resident enterprise which is construed as the owner of the land. A financial claim then exists between the actual foreign owner and the imputed unit, which is, in effect, treated as a branch of the foreign owner. Other immovable assets (except structures owned by foreign general government entities) and non-financial intangible assets issued by a government (eg copyrights and patents) are treated in a similar manner.

58 The operation of foreign owned mobile equipment (eg ships, aircraft, drilling rigs), in Australia for one year or more, is considered to be a resident activity and international transactions concerned with the operation of the equipment are therefore attributed to a resident enterprise. That enterprise may be an actual or notional unit. In cases where mobile equipment operates in more than one economy during a year or moves frequently between countries (eg ships and aircraft on international routes), the operation is attributed to the enterprise responsible for directing and organising the services involved. The residence of that enterprise is determined in accordance with the principles set out in the preceding paragraphs.

59 International bodies with a presence in Australia and which do not qualify as trading or financial enterprises are treated as non-residents (but note the treatment of their employees - see 56(c) above). In contrast, international bodies which do engage in production of goods and services within Australia are treated in the same way as other financial and trading enterprises.

PART 4 : GUIDELINES FOR RESOLVING CLASSIFICATION PROBLEMS AND USE OF THE CLASSIFICATION IN PUBLICATION

Resolution of Classification Problems

60 In the process of classifying particular enterprises to the sectors of the classification, problems are bound to be encountered in determining the correct sector or subsector of the enterprise. These should be treated in accordance with the procedure outlined below and should include all cases where an interpretation of the sector or subsector definitions is required, where the available information is or appears to be inadequate to determine the correct sector or subsector, where the classifier considers that application of the classification conventions and rules results in the enterprise being classified wrongly or where there is any reasonable doubt about the correct sector or subsector of the enterprise.

61 In all these cases the procedure to be followed is:

- a submission of the problem case with all available background information, eg copies of annual reports and Acts of Parliament, to ABS Central Office Integration and Classification Section;
- b assessment of each problem by Integration and Classification Section (in consultation with other ABS sections) resulting in a 'SISCA Determination';
- c dissemination of SISCA Determinations to all relevant parts of the ABS by Integration and Classification Section; and
- d maintenance by Integration and Classification Section of cumulative indexes of such determinations for periodic dissemination within the ABS.

Use of the SISCA in Publication of Statistics

62 With the objective of optimising the compilation and publication of comparable statistics which are classified according to the SISCA in different statistical collections or series and of providing users of these statistics with clear and unambiguous information concerning the publication categories the following is recommended:

- . that SISCA sector and subsector titles and their codes be used without variation in statistical tables; and
- . that SISCA be used, wherever possible, at its most detailed level with totals being shown for all higher level categories.

THE CLASSIFICATION

The Sectors and Subsectors of the Classification

1 CORPORATE TRADING ENTERPRISES

1.1 Private Corporate Trading Enterprises

1.2 Public Trading Enterprises

1.2.1 Commodity Marketing Authorities

1.2.2 Other Public Trading Enterprises

2 FINANCIAL ENTERPRISES

2.1 Private Financial Enterprises

2.2 Public Financial Enterprises

2.2.1 Reserve Bank

2.2.2 Other Public Financial Enterprises

3 GENERAL GOVERNMENT ENTERPRISES

4 HOUSEHOLDS AND OTHER PRIVATE ENTERPRISES

4.1 Households

4.2 Private Unincorporated Trading Enterprises

4.3 Private Non-profit Institutions Serving Households

5 NON-RESIDENT ENTERPRISES IN AUSTRALIA

Sector and Subsector Definitions

Definitions for the above sectors and subsectors follow below. The concepts used in these definitions are, in general, also defined in the relevant sector and subsector definitions and cross referenced, where necessary. However, some of the concepts are relevant to more than one sector and require lengthy definitions. These are included in the introductory part of this manual so as not to overburden the sector and subsector definitions with lengthy and repetitive material. They include the following:

- . a definition of the 'enterprise' - this is provided in Part 2 of the Introduction which also includes the rules used by the ABS in the formation of enterprises for statistical purposes;

- . definitions of the 'public sector' and the 'private sector' - these are provided in Part 3 of the Introduction (in this context it should be noted that the terms 'public' and 'private', when used to qualify particular types of enterprises, should be interpreted to mean 'public sector enterprises' and 'private sector enterprises' rather than in the sense used in company

legislation); and

. definitions of 'residency' and 'non-profit institutions' - these are also provided in Part 3 of the Introduction.

In addition, users of the classification are referred to Part 1 of the Introduction for an understanding of the principles on which the classification is based, and to Part 4 of the Introduction for guidelines on resolving difficult classification problems and on using the classification in the publication of statistics.

1 CORPORATE TRADING ENTERPRISES

This sector consists of resident corporate and quasi-corporate trading enterprises (financial enterprises are included in Sector 2.) Also included are all those private non-profit institutions which serve trading enterprises. The trading enterprises and non-profit institutions in this sector are classified into the following subsectors:

1.1 Private Corporate Trading Enterprises

This subsector consists of all those resident private trading enterprises which meet all the following requirements:

- a are legally, or behave as if they are, entities separate from their owners with regard to their incomes, outlays and capital financing decisions;
- b maintain separate and adequate management accounts in respect of these items; and
- c are mainly engaged in producing goods and services for sale in the market with the intention (which may not always be realised in practice) of maximising profits and financial returns to their owners which are passed on to them either as distributed profits or, as in the case of certain cooperatives, as cost advantages when purchasing goods and services from them.

The resident private enterprises covered by the foregoing are trading enterprises (in accordance with c above) and include both corporate enterprises (which meet requirements a and b by definition) and those unincorporated enterprises which satisfy requirements in a and b above - the latter are referred to as quasi-corporate.

For practical classification purposes the following enterprises meet the above requirements for classification to this subsector:

- 1 all resident incorporated private trading enterprises (other than financial enterprises and non-profit institutions) which are assessable for income tax as companies; and

ii all resident quasi-corporate private trading enterprises (other than financial enterprises and non-profit institutions), ie all unincorporated private trading enterprises which are assessable for income tax as companies, as well as unincorporated partnerships of companies.

In addition to the above trading enterprises, this subsector also includes all resident private non-profit institutions serving trading enterprises. These non-profit institutions are enterprises which are mainly engaged in providing goods and services to trading enterprises on a non-profit basis, whose membership (or ownership) consists mainly of trading enterprises or their representatives and whose operations are mainly financed by members' fees or direct contributions by trading enterprises (other than payments for services).

1.2 Public Trading Enterprises

This subsector consists of all those resident public enterprises which are mainly engaged in the production of goods and services for sale in the market with the intention of maximising profits and financial returns to their owners or, at least, of recovering all or a significant proportion of their operating costs (excluding interest payments) from gross trading receipts. ('Significant' in this case means at least 50% in the generally of cases, although a lower proportion may be acceptable in particular cases of public transport or other enterprises which are deemed to operate as trading enterprises in all other respects.) Excluded are public enterprises mainly engaged in the production of goods and/or services for general government enterprises.

The resident public enterprises described above are trading enterprises and include both corporate enterprises and unincorporated enterprises - the latter are referred to as quasi-corporate, as are their private sector counterparts.

The enterprises in this subsector are further classified into the following categories:

1.2.1 Commodity Marketing Authorities

The public trading enterprises in this subsector are resident statutory authorities (a concept defined in the public sector definition in Part 3 of the Introduction) mainly engaged in wholesaling, including any related processing and handling of 'declared' commodities in accordance with government policies and requirements (as prescribed in legislation) for the benefit of the producers of the declared commodities and also with regard to wider considerations, eg the needs of consumers. (Declared commodities are usually particular products of agriculture or fishing which governments, by proclamation or some other legal instrument, have declared to be commodities for the purposes of acts of parliament or equivalent legislation governing the

establishment and administration of marketing authorities.)

Non-trading marketing authorities, ie authorities which merely administer, regulate or promote the marketing of declared commodities without being directly involved in their selling as either agent or principal, are treated as general government enterprises and classified in Sector 3.

1.2.2 Other Public Trading Enterprises

Other Public Trading Enterprises in this category consist of resident public trading enterprises as defined in Subsector 1.2 with the exception of resident commodity marketing authorities as defined in category 1.2.1.

2 FINANCIAL ENTERPRISES

This sector consists of resident financial enterprises ie resident enterprises mainly engaged in financial market transactions which involve both the incurring of liabilities and the acquisition of financial assets, ie in borrowing and lending money, in providing superannuation, life, health or other insurance cover, in financial leasing or investing in financial assets.

For practical classification purposes the following enterprises meet, prima facie, the above requirements for treatment as financial enterprises and classification to this sector:

i they have been classified to the following classes of the Australian Standard Industrial Classification (ASIC), 1983 edition:

6141 Central Bank, 6142 Trading Banks, 6143 Development Banks, 6144 Savings Banks, 6151 Permanent Building Societies, 6152 Terminating Building Societies, 6153 Credit Unions, 6154 Authorised Money Market Dealers, 6155 Money Market Dealers nec, 6156 Financiers nec (with the exception of 'intra enterprise group financiers'), 6231 Life Insurance, 6232 Superannuation Funds, 6233 Health Insurance, and 6234 General Insurance; or

ii they have been classified to the following classes of the Australian Standard Industrial Classification (ASIC), 1978 edition:

6161 Unit Trusts, Land Trusts and Mutual Funds or 6163 Holder Investors nec, AND actively engage in borrowing and lending money, AND generate most of their revenue from investments in financial securities.

NOTE: Enterprises classified to ASIC class 6162, Holding Companies nec, should be classified to the same institutional

sector as the companies which they own.

The financial enterprises sector excludes public bodies which provide financial services but who are not free to operate on the capital market, ie bodies whose funds are derived solely from general government (eg Commissioner for Housing) or whose funds flow solely to general government (eg Commonwealth Treasury issuing Australian Saving Bonds). These bodies are classified as general government.

In addition to the foregoing, this sector also includes all resident private non-profit institutions serving financial enterprises, ie enterprises which are mainly engaged in providing goods and services to financial enterprises on a non-profit basis, whose membership (or ownership) consists mainly of financial enterprises or their representatives and whose operations are mainly financed by members' fees or direct contributions by financial enterprises (other than payments for services).

The enterprises in this sector are further classified into the following subsectors:

2.1 Private Financial Enterprises

This subsector consists of all those resident financial enterprises and non-profit institutions in the 'financial institutions' sector which are classifiable to the private sector of the economy.

2.2 Public Financial Enterprises

This subsector consists of all those resident financial enterprises in the 'financial enterprises' sector which are classifiable to the public sector of the economy. However, as mentioned above, the financial enterprises sector excludes public bodies which provide financial services but who are not free to operate on the capital market, ie bodies whose funds are derived solely from general government (eg Commissioner for Housing) or whose funds flow solely to general government (eg Commonwealth Treasury issuing Australian Saving Bonds). These bodies are classified as general government.

The enterprises in this subsector are further classified into the following categories:

2.2.1 Reserve Bank

The Reserve Bank has been separately identified to enable its transactions to be clearly separated from the transactions of other financial enterprises for analysis purposes.

2.2.2 Other Public Financial Enterprises

This category consists of resident public financial enterprises as defined in Subsector 2.2 with the exception of the Reserve Bank.

3 GENERAL GOVERNMENT ENTERPRISES

This sector consists of those resident public enterprises which are mainly engaged in the production of goods and services outside the normal market mechanism for consumption by governments and the general public, whose costs of production are mainly financed from public revenues and which provide goods and services to the general public, or sections of the general public, free of charge or at nominal charges well below costs of production. Included are public enterprises mainly engaged in the production of goods and services for other general government enterprises.

Accordingly, this sector represents, in a broad sense, the non-business component of the public sector whose component enterprises are subject to quite different forces in determining the nature and scale of their activities compared to those of trading and financial enterprises. The one exception to this is the treatment of the central borrowing authorities (CBAs).

CBAs could be classified legitimately as either 'Public Financial Enterprises' or 'General Government Enterprises' depending on the weight given their underlying function (to coordinate and administer State government borrowing) vis a vis the apparent outward nature of their activities (to borrow and lend money in their own name) in determining their real major activity.

To improve the usefulness of public finance statistics it has been determined that CBAs are to be treated as agents of general government rather than as independent financial institutions. Therefore, they are classified as 'General Government Enterprises'.

For practical classification purposes this sector consists of all those resident public enterprises not classified as public trading or financial enterprises. In addition, this sector also includes those resident non-profit institutions which are

composed largely of private sector members or owners and which either:

a are mainly financed by and engaged in providing goods and services to government, ie public enterprises, on a non-profit basis; or

b are mainly engaged in providing goods and services to households on a non-profit basis AND are to a significant extent financed AND controlled by government or integrated with equivalent government services.

'FINANCING' here refers to the provision of non-repayable government funds on a recurring and long term basis for current operations and excludes capital grants or social security or other benefits paid on behalf of clients of the institutions for services rendered to them by the institutions. 'INTEGRATION WITH EQUIVALENT GOVERNMENT SERVICES' refers to situations where governments provide a particular public service, such as health care or education, in which privately owned organisations are induced by governments to participate in such a manner as to provide an effective extension of the particular public service. In such cases the inducements which governments provide are mainly financial, in return for which the non-profit organisations agree to implement and observe government determined standards of operation and public access to their services.

Classification of non-profit institutions to the 'general government enterprises' sector in accordance with the criteria in b above cannot be based on more objective measures and therefore has to be determined (within the above guidelines) on the basis of advice by individual governments or their instrumentalities.

4 HOUSEHOLDS AND OTHER PRIVATE ENTERPRISES

This sector consists of resident private institutional units in the following subsectors:

4.1 Households

This subsector consists of all resident Australian households. A household can be a person, family or other social unit and has been defined in Part 2 of the Introduction as an entity (other than a non-profit institution) which as a unit receives income and uses all of it for private final consumption expenditure and saving (ie after payment of taxes and other transfers).

4.2 Private Unincorporated Trading Enterprises

This subsector consists of all resident private unincorporated trading enterprises not elsewhere classified. It also includes for national accounts purposes 'dwellings owned by households'. (In national accounting the convention is followed of notionally splitting those households that own their own dwelling into a pure household unit and an enterprise that owns and operates the dwelling, is maintains it and rents it back to the household - these enterprises are included here as trading enterprises.)

NOTES: Resident private quasi-corporate trading enterprises are included in the private corporate trading enterprises sector.

Resident private unincorporated financial institutions are treated as quasi-corporate and are included in the private financial institutions sector.

The concept of 'trading enterprise' is described in Subsector 1.1.

4.3 Private Non-profit Institutions Serving Households

This subsector consists of resident private non-profit institutions serving households. These non-profit institutions are enterprises which are mainly engaged in providing goods and services to households on a non-profit basis, whose membership (or ownership) consists mainly of persons in their capacity as private citizens or as members of other private enterprises and whose operations are mainly financed by members' fees, subscriptions, etc.

NOTES: The general concept of non-profit institutions is set out in Part 3 of the Introduction. Resident non-profit institutions composed largely of private sector members or owners which are mainly engaged in providing goods and services to households on a non-profit basis AND are to a significant extent financed AND controlled by government or integrated with equivalent government services are included in Sector 3.

5 NON-RESIDENT ENTERPRISES IN AUSTRALIA

This sector consists of enterprises in Australia of foreign governments or of foreign public institutions which, in accordance with international statistical conventions, are treated as resident enterprises of their own respective countries. (The concept of residency is defined in Part 3 of the Introduction.)

FOOTNOTES AND REFERENCESNOTES

- 1 SNA Chapter 5, The Transactors in the System, paragraph 5.49.
- 2 SNA Chapter 5, The Transactors in the System. Table 5.1, the definition of institutional sectors and subsectors, General Government.

REFERENCES

Australian National Accounts (ANA) - Concepts, Sources and Methods, ABS Catalogue No. 5216.0, 1981.

A System of National Accounts (SNA) - Studies in Methods Series F, No. 2, Rev. 3, United Nations 1968.

Australian Standard Industrial Classification (ASIC) 1983 Edition, ABS Catalogue No. 1201.0.

**APPENDIX A: BROAD COMPARISON OF THE SNA AND ANA INSTITUTIONAL
SECTOR CLASSIFICATIONS**

**SNA INSTITUTIONAL SECTOR
CLASSIFICATION**

**1 NON-FINANCIAL ENTERPRISES,
CORPORATE AND QUASI-CORPORATE**

- (a) Private Enterprises
- (b) Public Enterprises

2 FINANCIAL INSTITUTIONS

- (a) The Central Bank
- (b) Other Monetary
Institutions
- (c) Insurance Companies
and Pension Funds
- (d) Other Financial
Institutions

3 GENERAL GOVERNMENT

- (a) Central Government
- (b) State and Local
Government
- (c) Social Security
Funds

**4 PRIVATE NON-PROFIT
INSTITUTIONS SERVING
HOUSEHOLDS**

**5 HOUSEHOLDS, INCLUDING
PRIVATE NON-FINANCIAL
UNINCORPORATED ENTERPRISES**

**ANA INSTITUTIONAL SECTOR
CLASSIFICATION**

**CORPORATE TRADING
ENTERPRISES
(INCLUDING PUBLIC TRADING
ENTERPRISES)**

(a)

**FINANCIAL ENTERPRISES
(INCLUDING THE NOMINAL
INDUSTRY, EXCLUDING
CENTRAL BORROWING
AUTHORITIES)**

**GENERAL GOVERNMENT
(INCLUDING CENTRAL
BORROWING AUTHORITIES)**

**HOUSEHOLDS (INCLUDING
UNINCORPORATED
ENTERPRISES)**

(b)

NOTES

- (a) Excludes private quasi-corporate trading enterprises
- (b) Includes private quasi-corporate trading enterprises

**APPENDIX B : BROAD COMPARISON OF THE SISCA WITH THE SNA AND ANA
INSTITUTIONAL SECTOR CLASSIFICATIONS**

SNA INSTITUTIONAL SECTOR CLASSIFICATION	SISCA	ANA INSTITUTIONAL SECTOR CLASSIFICATION
1 NON-FINANCIAL ENTERPRISES, CORPORATE AND QUASI-CORPORATE	1 CORPORATE TRADING ENTERPRISES	CORPORATE TRADING ENTERPRISES (INCLUDING PUBLIC TRADING ENTERPRISES)
(a) Private Enterprises	1.1 Private Corporate Trading Enterprises (incl. quasi-corp)	Note: Excludes private quasi-corporate trading enterprises.
(b) Public Enterprises	1.2 Public Trading Enterprises	
	1.2.1 Commodity Marketing Authorities	
	1.2.2 Other Public Trading Enterprises	
2 FINANCIAL INSTITUTIONS	2 FINANCIAL ENTERPRISES	FINANCIAL ENTERPRISES (INCLUDING THE NOMINAL INDUSTRY, EXCLUDING CENTRAL BORROWING AUTHORITIES)
(a) The Central Bank	2.1 Private Financial Enterprises	
(b) Other Monetary Institutions	2.2 Public Financial Enterprises	
(c) Insurance Companies and Pension Funds	2.2.1 Reserve Bank	
(d) Other Financial Institutions	2.2.2 Other Public Financial Enterprises	
3 GENERAL GOVERNMENT	3 GENERAL GOVERNMENT ENTERPRISES	GENERAL GOVERNMENT (INCLUDING CENTRAL BORROWING AUTHORITIES)
(a) Central Government		
(b) State and Local Government		
(c) Social Security Funds		
4 PRIVATE NON-PROFIT INSTITUTIONS SERVING HOUSEHOLDS	4 HOUSEHOLDS AND OTHER PRIVATE ENTERPRISES	HOUSEHOLDS (INCLUDING UNINCORPORATED ENTERPRISES)
	4.3 Private Non-profit Institutions Serving Households	Note: Includes private quasi-corporate trading enterprises.
5 HOUSEHOLDS, INCLUDING PRIVATE NON-FINANCIAL UNINCORPORATED ENTERPRISES	4.1 Households	
	4.2 Private Unincorporated Trading Enterprises	
	5 NON-RESIDENT ENTERPRISES IN AUSTRALIA	

STANDARD INSTITUTIONAL SECTOR CLASSIFICATION OF AUSTRALIA, 1987